

YOUTH, UNEMPLOYMENT AND INCUBATION HUBS IN SOUTHWEST NIGERIA

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ABSTRACT

Unemployment is a social problem that affects a large percentage of Nigerians directly and indirectly. It is capable of leading to increase poverty in the land. Nigerian is a densely populated nation, with the youths having the largest share of the population and an alarming unemployment rate. Several avenues have been established to help solve the problem of unemployment with creation of incubation hubs being one of them. The incubation hubs space provide various support to startups that are domicile in it in order to aid their growth and development and ultimately help them solve social problems, create jobs and improve the lot of the nation at large. Unfortunately the incubation hub spaces are poorly studied in scholarly literature as pertains to job creation and youth unemployment in Nigeria. Through comprehensive qualitative and quantitative data collection and analysis, this article explores this subject in Southwest, Nigeria. Research questions this article answer include; what are incubation hubs? How have they developed in Nigeria? How do youths benefit from their existence? What is the impact of this general benefit for youths and the state of unemployment in the nation? This article makes significant contribution to knowledge as there is a dearth of works on the specific area this article focuses on.

Key words: Youth, development, incubation hub, unemployment

INTRODUCTION

Globally, youth development is seen as integral to national development (International Youth Fellowship, 2015). According to IYF (2015) youths represent a large percentage of most nations' population; however, the challenge of youth unemployment in the 21st century and beyond is daunting and humbling. Nigeria has the highest population in Africa, with over half her population as youths (Lawlor, 2014). Though the nation is blessed with a massive young population, there is the challenge of unemployment in Nigeria as a critical mass of young people are unemployed and the mortality rate of Small and Medium Scale Enterprises (SMEs) and startups which are meant to help create some of this jobs are high (Agwu, 2014). These issues have affected the nation largely and have created several social problems which have led some youths into social vices (Akanle, Ademuson and Omotayo, 2019). It has been argued that for the nation to grow and have a sustainable development that would affect all her citizens then a large percentage of her citizens must be gainfully employed (Inanga and Azih, 2014). Nigeria has a high number of youths in its workforce, however, larger amounts of the youths are still unemployed (Lawlor, 2014). As such some scholars have recommended that one of the best ways to solve the problem of unemployment is to create more jobs and help SMEs and startups grow, it is believed that this would also increase the number of youths in the labour force (Inanga and Azih, 2014; Agwu, 2014).

One of the dominant ways that has engaged youths, helped startups grow, accelerated job creation and ensured business growth in the world is the existence of Incubation Hubs (Rouwmaat, Reid and Kurik, 2003). Incubation hubs are communities that are established for the purpose of providing the appropriate business support needed to increase the chance of survival of small businesses, most incubation hubs space are run by incubators who coordinate the community and ensure that startups get all of the benefit needed for their survival (Rouwmaat *et al.*, 2003). To help solve the problem of unemployment and improve the chances of small businesses to engage in activities that can bring about socio-economic development therefore, government and some private sector organizations have established incubation hubs in Nigeria. At the moment the nation has plethora of hubs across the different geopolitical zone of the country. These hubs differ and can be identified by the cluster that they belong to (Ndiomewese, 2017). This article engages the following research questions; what are incubation hubs? How have they developed in Nigeria? How do youths benefit from their existence? What is the impact

of this general benefit for youths and the state of unemployment in the nation? This article brings the innovation of incubation hubs as employment generation and development strategies in Nigeria to light as more emerging countries are transitioning to a knowledge-based economy and this article is relevant in this ‘new world order’.

Landscape of Incubation Hubs

Incubation hubs have been in existence for a while now in Europe and America; however they are not entirely new to Africa, as nations like post-apartheid South Africa and Mauritius have embraced incubation programs, although the continent is still largely reliant on an agriculture-based economy (Gathege and Moraa, 2013). A large percentage of incubation hubs in Africa are ICT hubs which serve as an innovation space. According to Gathege and Moraa (2013) Innovation spaces promote community, learning, and they come in different flavors. They argued that the hubs come as labs, libraries, hackerspaces, maker spaces, telecentres and coworking spaces. However a major similarity among all the spaces is that they provide opportunities to engage with people, ideas, and technologies; experience participatory culture, and acquire the literacies and skills needed to prosper in the 21st century.

From the aforementioned, it is impossible to divorce incubation hubs from information technology and youth development. This is so because most hubs in the world are technology hubs with a large proportion of their startups owned by young people (Gathege and Moraa, 2013; Azih and Inanga, 2014; Clarysse, Wright and Hove 2015) and a lot of people, especially entrepreneurs now focus more on technological innovations or technological enabled innovations. This has transformed many economies towards a knowledge-based environment, in which the production and dissemination of knowledge leads to numerous socio-economic benefits.

The knowledge economy is an economy that can apply its fast increasing knowledge effectively in work and social situations to increase productivity and general well-being, and to create and apply new knowledge (Venu, 2014). Information and communication technology is a form of knowledge economy and it has massive impacts on our lives, especially as a large amount of young people are engaged in it. In the Knowledge Economy, a country's greatest asset is human capital and nations must pay attention to this by benefiting from new technological opportunities through educational or employment programs for their people. Unarguably, an

important factor with regard to much of the structural unemployment in Nigeria has been the mismatch between skills and newly created jobs. However nations that have embraced knowledge economy have had an increasing level of technology and skills transfer. (Jones, 1995; Venu, 2014)

Incubation hubs work largely in a knowledge based environment. Understanding their social dynamics is however important to sustainably engage them as employment propellers and development drivers (Akanle, Ademuson and Omotayo, 2019). According to National Business Incubation Association (NBIA, 2008), Incubation hubs have proven to be an effective tool for promoting development throughout the world and they are considered as a flexible development tool. Incubation hubs serve as catalysts in the process of starting and growing companies by providing entrepreneurs with the expertise, networks, and tools needed to make their ventures successful (Grimaldi and Grandi, 2005).

Knowledge Economy, Technology Transfer and Youth Participation

Knowledge economy ¹is growing in importance and the search for talent is becoming as competitive as it is global (OECD, 2006). To bridge the gap between countries with a highly skilled people and those that are not, developing nations must begin to seek ways to advance in their knowledge of knowledge economy while paying attention to their youths; else their will continue to be international migration as the skilled workers from Nigeria would head for other countries while Nigeria may then be forced to hire and pay expatriates to take up positions which a Nigerian would ordinarily have been equipped to perform (OECD, 2006). Incubation hubs are contributing to the global labour market which is undergoing massive structural changes that will have potentially far-reaching implications for the workforces of the future (Lawlor, 2014). It is thus important that societies pay attention to this space so that they will remain relevant both now and in the future. The future of work is controlled largely by the youth population and most of them have drawn closer to information technology as they see it as essential to remaining relevant (Lawlor, 2014).

The type of work people across the world are doing is shifting (Lawlor, 2014; Clarysse *et al*, 2015). Lawlor (2014) argued that despite the change as regards the nature of work around the

¹ Knowledge economy in the context of this study refers to production and services based on knowledge intensive activities that contribute to an accelerated pace of technical and scientific advance as well as rapid obsolescence (Powel and Snellman, 2004)

globe, agriculture still dominates in emerging markets such as India and Nigeria and manufacturing has taken hold in slightly more advanced economies such as China. Lawlor (2014) also argued that this poses a problem, and identifies a potential opportunity for fast-growing countries; it possess a problem in that the rest of the world is moving and for the emerging market to catch up it will have to invest in her youth population and embrace knowledge economy through technology transfer². The prospect lies in the fact that they are yet to maximize the young and dynamic population available to the workforce, as demonstrated by the low labour participation rates; doing this would open a vista of opportunities for most developing nations (Lawlor, 2014).

Nigeria is not maximizing the young and dynamic population available to the workforce rather the nation has a high youth unemployment rate (Lawlor, 2104). In comparison to other nations like China, USA, France, Brazil, Israel and India, Nigeria has a higher proportion of youths than the aged (Lawlor, 2014) and the nation Nigeria has a youth unemployment rate that is larger in proportion than that of most developed and developing nations of the world with small business and startups constituting a large proportion of the market (Lawlor, 2014). Lawlor (2014) argued that with adequate support for startups in most developing countries there will be an improvement in the standard of living of her populace as more people would have access to funds by being a part of the labour force (see also Siyanbola, Egbetokun, Oluseyi, Olamade, Aderemi and Sanni (2012) .

At the moment in Nigeria, even among the youths, there is a divergence between those with the relevant knowledge and experience in high-demand areas who gain employment even if it is in a non-traditional and more flexible form and those with more traditional skills and knowledge who have limited access to employment. One way of bridging this divide however, is to make it easier for youths to co-work, share ideas and embrace technology (Akanle, Ademuson and Omotayo, 2019). The changes in labour markets is not just in what organizations make but the way in which people work and incubation hubs are very relevant in this regard. Professor Prabhu a business scholar in Cambridge was interviewed by Lawlor (2014), he believes the next generation's approach to work will transform parts of the global labour market, in his words "We will start to see a very different type of employment, where young people are

² Technology transfer refers to the transfer of technology from one organization to another for the purpose of commercialization (Apax, 2005)

not looking to big companies to employ them but will increasingly start being their own employer, have their own business. This he believes will lead to ‘democratisation of innovation’. One way through which this is already happening across the globe is through incubation.

Prior to now, in the 20th century, innovation was the preserve of large corporations with access to resources, large teams and R&D (research and development) budgets, however there is going to be a shift both in developing and developed economies, this shift is a form of revolution where, increasingly, smaller teams with fewer resources can do things that they couldn’t do ten years ago (Lawlor, 2014). This shift would be facilitated by open access to knowledge which is possible through the use of ICT, especially with an increasing number of contents online. Nigeria has the potential to lead the future of work in Africa and be a major player in the world if it pays attention to incubation hubs and the youth population available to it.

The new world order has largely become driven by knowledge and exchange of information and ideas with survival in today’s information age depending more and more on the ability to use local and international networks (Bubou, 2008). ICT plays a major role in development, industrial areas have changed thanks to more efficient processes at lower cost and Nigeria is better able to compete regionally and internationally because of the deployment of human resources and organizational capabilities (Ekekwe, 2015). Advancements in other technology areas have been eclipsed because ICT has had remarkable success in integrating people, another reason why the improvement in ICT is more is because it is driven by young people. (Ekekwe, 2015). Beyond having a goal to compete globally, Nigeria must first prepare for a future beyond minerals, it must put her youth to mind and establish policy that can secure the future especially with respect to job creation.

METHODOLOGY

This article was part of, and based on, a larger study conducted in Southwest Nigeria in 2017. The study was first presented as an unpublished dissertation at the Department of Sociology, Faculty of The Social Sciences, University of Ibadan, Nigeria in 2017³). The study was exploratory, explanatory and descriptive in nature; it adopted a cross-sectional research design. Exploratory design was largely adopted because little research had been done on Sociology of Incubation hubs in Nigeria and there was need to gain an in-depth knowledge of the

³ Incubation hubs in Southwestern Nigeria. 2017. An unpublished Dissertation.

subject matter. This is important because of the growing influence of this industry on the Nigerian society and the social change associated with it, especially as Nigeria is currently embracing a knowledge economy. A field research was conducted, triangulating both the quantitative and the qualitative methods of research. The qualitative method allows us to gain valuable insights through the subjective narratives of the respondents by presenting clearer understanding from the participants' perspectives. The use of these methods was hinged on triangulation imperative and the need to have complementary data from various sources and to limit the weakness of the instruments.

For the qualitative method a total of 24 interviews were conducted which comprised 18 in-depth interviews and 6 key informants interview, there was also a one month non-participant observation done one of the hubs. The quantitative method involved the distribution of questionnaires, a total of 370 questionnaires were completed and submitted giving a statistics response rate of 92.5%. The qualitative data generated through IDI and KII were analyzed with the use of content analysis, while the quantitative data generated from the questionnaire administration were analyzed using relevant statistical tools.

The study was conducted in South West Nigeria, at the Lagos metropolis and Ibadan metropolis in Oyo State. The choice of these locations is because of their status as centers of incubation hubs in Southwest Nigeria and in Nigeria at large. Lagos and Ibadan are among the leading 20 cities in Africa (Mo Ibrahim Foundation, 2015). The cities status makes them the most suitable for this study in Nigeria and in South West Nigeria especially as incubation hubs thrive in urbanized areas with high literacy rate and high access to information technology. Also, the purposive selection of these locations enabled the researcher to get appropriate proportions of respondents representing various types of incubation hubs in order to avoid hasty generalizations but to arrive at findings that are inclusive of all.

Lagos is the seventh fastest growing city in the world, the second fastest growing city in Africa and the most populous city in Nigeria (Lagos State Government, 2017). The latest report by the Lagos State Government estimates the population of Lagos as 21 million, making Lagos the largest city in Africa (LSG, 2017). Lagos is the main city of the South-western part of Nigeria; it is described as a city for all people and infamous for being Nigeria's most exclusive city to live in (Travelstart, 2014). Lagos is the economic center and commercial nerve of the nation and a major financial center in Africa (LSG, 2017). Yaba in the Lagos Mainland district is

seen as the silicon valley of Nigeria, it is dubbed as Yabacon valley; this is so because it houses an agglomerate of start-ups and is home to incubation hubs (Uche, 2017). It is the leading technology cluster and startup ecosystem in Nigeria (Uche, 2017). Four (4) incubation hubs were studied from this location.

Ibadan is the capital of Oyo state, Nigeria and the third most populous city in the nation with a population that is more than 3 million people (Mo Ibrahim Foundation, 2015). The city is the most populous city in Oyo State and second most populous city in South West Nigeria; it serves as transit point between the coastal regions and the areas to the North of Nigeria (MIF, 2015). In Nigeria, the city is behind Lagos and Kano in population; however it is the largest city in geographical area in the nation. Ibadan is a very important city in Southwest Nigeria; it is characterized by its modern and traditional appeal. Ibadan had been the centre of administration of the old Western Region since the days of the British colonial rule, and parts of the city's ancient protective walls still stand to this day. The principal inhabitants of the city are the Yoruba people as well as people from other ethnic groups. Besides Lagos, Ibadan is home to several start-ups in Southwest Nigeria when compared to other states in the region (Ekekwe, 2015; Uche 2017). Two incubation hubs were studied from this location

DISCUSSION AND FINDINGS

Youth Population

This section examines the demographic information of those that engage in the incubation hub space in Southwest Nigeria. Their socio-demographic characteristic is important to unlocking the sociology of incubation hubs. This section presents information about the demographic and social background of the respondents from the tenants interviewed; the details captured are the age, gender and educational status of the respondents. Also, the socio-demographic characteristics of the survey respondent (those who have dealings with incubation hubs from time to time) showing relevant information such as age, gender, profession, state of residence and educational qualifications were captured. All this provides useful insight that will assist in understanding the study better.

Table 1: Socio-Demographic Characteristics of Interviewed Tenants

Variable	Category	Frequency	Percent
Age	21 – 25 years	4	22.2
	26 – 30 years	7	38.9
	31 – 35 years	4	22.2
	36 and above	3	16.7
	Total	18	100
Gender	Male	11	61.1
	Female	7	38.9
	Total	18	100
Education	Tertiary	18	100
	Education		

Source: Field Survey, 2017

The age categories of tenant respondents in the hub show that a lot of the entrepreneurs that are resident in incubation hubs are young people. From table 1 we see that 4 out of 18 people who took part in the interview are between the age of 21 and 26 years old, this age category form 22.2% of the total respondents. Similarly, the age range of 26 to 30 years also belong to the age category of young people and constitute 38.9% of the respondents. Those in the age range of 31 to 35 share a similar percentage with those who are in the 21 to 25 age category, having a percentage of 22.2%.

A combination of the age range from 21 to 35 years consist a large percentage (77.8%) of the respondents. This age bracket is captured under the age range of youths recognized by the African youth charter (UNESCO, 2017); the recognized age of youth by the charter is between 15 and 35 years. From field observation it was also observed that most of the tenants in the hubs are young people with the activities of the hub being youth driven. The study revealed that one reason why there are a lot of youths in Incubation hubs because they are built on knowledge economy. Incubation hubs play a crucial role in supporting knowledge economy as they focus a lot on knowledge and are run by youth. A lot of the young people are graduates and are resident in the hub build their ideas around knowledge economy. This implies that their ideas are information technology driven solution this could be either business or social.

The last age category from table 1 comprises those who are 36 years and above, from the table, we see that they constitute 16.7% of the tenants respondents. This percentage is the lowest among those resident in the hub; this is so because the kind of work done in the hubs are more appealing to the younger folks, they possess the needed skills set and it provides them with the opportunity of building their ideas and learning from those ahead of them in the space (see also Mubarak and Busler,2012). From table 1 we also see a slight difference with respect to gender representation of those who are tenants in the hub; males are 61.1% of the total population, while females are 38.9% of the population.

The gender difference shown from the analyzed data showed that there are more males in incubation hubs in Southwest Nigeria compared to their female counterpart; this was further buttressed by an observation in the hub space. All the entrepreneurs that were interviewed possess tertiary education this is so because education is the bedrock of incubation hubs as such most of the people that become tenants in incubation hub possess tertiary education. Besides the tenants, the socio-demographic characteristics of the survey respondents also give us further insight into incubation hubs; the details of survey respondents are captured in table 2. The table presents the information of those who engage with incubation hubs from time to time in one capacity or the other.

Table 2: Socio-demographic Characteristics of Survey Respondents

Variable	Category	Frequency	Percent
AGE	20 – 24	96	25.9
	25 – 29	189	51.1
	30 – 34	65	17.6
	35 – 39	14	3.8
	40 and Above	6	1.6
	Total	370	100.0
SEX	Male	240	64.9
	Female	130	35.1
	Total	370	100
PROFESSION	IT Specialist	85	23.0
	Business Analyst	57	15.4
	Self Employed	77	20.8
	Student	46	12.4
	Civil Servant	27	7.3
	Unemployed	34	9.2
	Others	44	11.9
	Totals	370	100.0
STATE OF RESIDENCE	Oyo State	72	19.5
	Lagos State	226	61.1
	Others	72	19.5
	Total	370	100.0

Source: Field Survey, 2017

From table 2 we see the age categories of those who patronize and have knowledge of the incubation space as ranging from 20 years and above. The age category of those who are between 20 – 25 years old constitute 25.9% of the respondents, this age category is the second highest among the respondents, it goes to show that young people are increasingly becoming aware and becoming a part of the incubation hub ecosystem. From the table 2 we also see that

the age range of 25 – 29 have the highest percentage 51.1%. This implies that this age group are the most active in the space, this is similar to the age range (26 -30 years) with the highest number of incubatees in incubation hub earlier shown in table 1 having 38.9%. The age range of 30 -34 constitute 17.6% and those within the age bracket of 35 – 39 and 40 years and above constitute 3.8% and 1.6% respectively.

An analysis of the age of the respondents showed that 94.6% of the respondents belong to the youth category using the African youth charter definition (UNESCO, 2017). It is evident that the youths are the drivers of incubation hubs and that the success or failure of it will have a lasting effect on them. The gender differential of the survey respondents shows that there are more males (64.9%) compared to females (35.1) who engage in business with the incubators and the startups in them. The profession of those who have dealings with incubation hubs as shown in table 2 goes to show the kind of social capital available to them and the kind of people they attract to the incubation space. From table 2 we see that the occupational sector with the highest frequency is information technology, they have a percentage of 23% of the survey respondents, and this is not surprising considering the nature of most of the business dealings in the hub. The profession with the second highest percentage is self-employment; the respondents in this category constitute 20.8% while the closest professionals are business analyst. Entrepreneurship is high in incubation hubs and they relate with other young entrepreneurs who also engage in entrepreneurship as well as business analyst who are constantly looking for opportunities in business and making sense of current happenings in the business world.

Students, civil servants, other profession and the unemployed make up 12.4%, 7.3%, 11.9% and 9.2% respectively. Students are amongst those who have high dealings with the hub as they sometimes come in as interns, engage in incubator sponsored research and at other times are at the transactional end as clients. Other professionals who took part in the survey include pharmacist, bankers, public affairs analyst, accountants, lawyers, teachers and electrical engineer. There are more people with dealings with incubators resident in Lagos as oppose to Ibadan, in Southwest Nigeria and Nigeria in general. Lagos is the home of incubation hub and the commercial nerve of the nation. Of the survey respondents that engaged in the study 61.1% are resident in Lagos, 19.5% are resident in Ibadan, while the remaining 19.5% are resident in other states outside of Lagos and Ibadan metropolis. Table 3 shows the educational qualifications of the respondents.

Table 3: Socio-demographic Characteristics of Survey Respondents continued

Variable	Category	Frequency	Percent
EDUCATIONAL QUALIFICATION	WASSCE	18	4.9
	National	268	72.4
	Diploma/BSc		
	MSc	74	20.0
	PhD	4	1.1
	Others	6	1.6
	Total	370	100.0

Source: Field survey, 2017

An analysis of the educational qualification of the survey respondents has shown in table 3 shows that most of the respondents possess tertiary education. The table reveals that the highest percentages of the respondents' 72.4% are degree holders or possess the equivalent; while 20% of the respondents have completed their master's program and another 1.1% are PhD holders. Those who have completed senior secondary school are 4.9% of the population while 1.6% percent represents those who have other qualifications besides West Africa Secondary School Certificate Examination (WASSCE). Incubation hubs run on knowledge economy as such most of the people in the space are well educated.

Youth, Unemployment and the Incubation Hubs

This section covers understanding incubation hubs, especially because of the growth of this industry, the effect it is having on the society, the potential for job creation and national development. Attention is also paid to the nature of the hubs, the kind of business they engage in and understanding them is important to knowing the changes associated with how work is being done in contemporary Nigeria.

Focal Point of Incubation Hubs in Southwest Nigeria

Knowing the focal point of incubation hubs in Nigeria is very important to solving the problem of unemployment that plagues the nation. This is particularly so as Nigeria has a

growing youth population and a lot of her youth are growing in the knowledge of ICT, this presents some potentials and challenges for the nation if not well managed. The nature of Incubation Hubs in Nigeria is that they are established to help solve the problem of unemployment in Nigeria by employing people, taking in tenants, helping business grow in their early stage of business and ultimately making use of information technology as a tool to drive the change needed in the society. This thought was captured by one of the hub managers thus:

The goal was to solve youth unemployment leveraging on technology. We wanted to support youths who are willing to solve major economic and social problems. We support technology business and invest in anything that is driven by technology across multiple sectors it doesn't really matter what.

- (Hub Manager /Lagos/M/Private/KII/2017)

The above submission significantly illuminates the focal point of incubation hubs in Nigeria. They focus largely on information technology driven enterprise whether social or business oriented as a tool to solving social problems, especially the problem of unemployment. The sector of the business their tenants belong does not count as much to them as the impact that it will have on the society. Also, they are primarily concerned about the ability of their tenants' idea to create employment and that such idea is driven by ICT. Incubation hubs have certain criteria that they consider before accepting startups into the incubation program. This criteria what is important to the hubs in terms of recruiting into the program. To buttress this point one of the hub managers had this to say:

Our interest lies beyond ideas we are more interested in people who have got idea such that there is a team already, beyond the team there is a product or a platform even if it's just one or two people and in some way someone has seen sufficient value in that platform or service to exchange money.

- (Operations Manager/Lagos/M/Private/KII/2017)

The foregoing view to a large extent supports the position by Murray Goldstein (2017) who argued that something important to consider for startups who want to be a part of the hub is having a strong team. He argued that a strong team can make up for any shortcoming in business idea. However, a good idea with a poor team is a turn off to incubators. Most incubation hubs do not take startups into incubation program without considering the startup team as well as the viability of the product in the market, whether it is socially accepted or not and if the value created can be exchanged for money. What this implies is that incubation hubs do not promote individuality rather they promote a system of interdependence. This suggests why they are often

keen on admitting startups that have functional team into the incubation program as opposed to an entrepreneur who has an idea without a team and no market at the moment. Although incubation hubs run other programs than incubation program, they pay more attention to the incubation program. This is so because the program is a core part of their organization and they invest a lot of resources into it. One reason they pay attention to the incubation program particularly is because of the cascading potential that it has and the fact that the sector has a lot of young people with ideas that can help create jobs, which by extension can help reduce the problem of unemployment and promote national development. The focal point of incubation hubs in Southwest Nigeria is generally the same. They largely focus on helping startups grow and they give preference to startups that are already making money before coming to the program and who need some level of support to perform better than they are currently doing. This thought was captured by one of the Hub owners in Lagos:

We encourage tenant, help revalidate their business model, look at the consumer segment that they are addressing and see if there are leaving any customer segment out of the table

- (Hub Owner/Lagos/M/Private/KII/2017)

Understanding people is an important aspect of business, no matter the quality of what is made by any startup. If people are unwilling to patronize the business and they do not see value in such product or service, the business will soon go into extinction. It is in the nature of incubation hubs to look into the business model adopted by a startup and help them with an improved model, especially because of the peculiarity of the Nigerian people. There was a strongly-held notion by some of the hub managers that lot of startups have business model that might work in other climes but not in Nigeria. As a result, what the incubation hubs do is to guide the tenants and see that there is an improvement in their way of doing business by pointing out the peculiarity of the Nigerian society and guiding them on how they can add more clients to be part of the market segment that their startup focuses on.

In order not to make avoidable mistakes, the tenants are linked up to mentors in the areas of their fields and the mentors provide guidance from their wealth of experience. In Nigeria as is the case in other climes mentorship is important, especially because those who serve as guides have navigated the terrain and become successful despite the difficult business terrain and because the tenants are largely young people with little experience. Startups belong to the incubation network and mentors are seen as the drivers of the network. The strength of the

network is in communication and leveraging on social capital as such the network gets stronger as they meet and communicate from time to time. In the Southwest, incubation hubs are strongly connected which somewhat is a reflection of the Nigerian culture.

Funding of Business Enterprise, Economic Growth and Support for Nigerian Product and Service

Besides being trained to build a brand that will succeed in Nigeria, the tenants are also prepared to make pitches to investors. Here is how a hub manager in Ibadan puts it:

They are being trained from time to time, all of that culminates in a demo day when the teams will be put in a room with the investors in a bid to attract funding.

- (Hub Manager/Ibadan/M/Private/KII/2017)

The response above shows that to access funding, startups make pitch to investors after which the investors decide on the level of support it will like to provide to them. Funding given to startups can come from two ends either from the incubation hub directly or through another investor accessed by the hub. In Nigeria startups generally have challenges accessing financial investment. It was gathered that there are very few investment organizations willing to invest in startups; also the interest rate is high and as a result even though startups and SMEs have ideas, their ideas soon go to waste as there is no proper channel by which they receive financial support and other forms of partnership support. As a result of this incubators strive to ensure that their incubatees get just about enough to help keep their business alive and position them for market growth.

There was a consensus of opinion among the incubation center management staff that one of the aims for the establishment of incubation hubs is that it is to stimulate economic growth; it is also to help improve the standard of living of Nigerians by extension. Technology Incubation center established by the Federal Ministry of Science and Technology at the Federal Capital Territory (FCT), Abuja, Nigeria was established to support SMEs and also promote made in Nigeria goods. One of the managers at Technology Incubation puts the reason for establishment thus:

One of the reasons for the establishment of the center is to promote made in Nigeria goods. It was created to help provide technical knowhow, electricity, exposure as this were some of the things that entrepreneurs had challenges accessing and which affected their ability

- (Hub Manager/Ibadan/M/Public/KII/2017)

Besides the private owned hubs, Technology Incubation center was established by the government and is interested in promoting made in Nigeria goods made by SMEs in Nigeria. It was revealed that Nigerians consume a lot of imported product and that they also pay for services rendered by cooperation from other countries. In order to reduce the consumption of foreign products that can be produced by Nigeria SMEs, the incubation centers across Nigeria were established. The establishment of the technology center was focused at supporting local content and SME growth. Local content and indigenous technology are some of the things that government owned incubators support. Businesses such as starch making, perfume production, packaging of locust beans are some of the products produced in this hub; these go a long way in improving household capital, as some of these products are products that are not well packaged and commercialized. According to a management member of staff:

This is given to help ideas survive within an innovative environment as entrepreneurs are often faced with challenge of accessing basic amenities as well as market for their product and this could eventually lead to the death of their ideas if they don't get support.

- (Management Staff/Ibadan/M/Public/KII/2017)

Navigating the terrain of entrepreneurship in Nigeria is very challenging because entrepreneurs battle with the challenge of the unavailability of social amenities and support for their market. Incubation hubs in Nigeria were created to provide these basic amenities to their tenants and also help in making the market accessible for the startups. Also, the kinds of product made by tenants in incubation hubs often require a level of innovation as such business enterprise thrive better in an innovative environment. Business has changed generally and the incubation business has grown as people are beginning to see the role that technology is playing in business and solving social problems. The ecosystem plays its own little role in simulating problem driven solution; that is where the startups and entrepreneurs come through with innovative and executable ideas. "Techpreneurship" is on the increase, with more and more entrepreneurs focusing on technology driven ideas. The realities that exist in Nigeria's incubation hubs are reflective of the community in which the hubs find themselves. Also, the ecosystem plays a significant role in regularizing the system and providing solutions to social problem.

Conclusion

In this study, the following general conclusions can be drawn considering the literatures and an extensive research into the subject. The Incubation hub space is an important and integral avenue for job creation and solving the problem of unemployment. The study revealed that the incubation hubs are dominated by young people who are keen to add value to the society and address different social issues plaguing the society by their startups. The nature of most of the businesses that run in the hubs are information technology driven and this has increased the growth of knowledge economy in Southwest Nigeria. Also, the article presented the different supports that the incubation hubs provide to members to ensure that they grow and see that their ideas blossom. Financial support and mentorship were highlighted as some of the key component needed for the growth of the sector and for the nation at large. A lot of youths are tenants in these hubs and by that fact have support for startups which in the long run improve the economy of the nation. This article supports previous works that highlighted the importance of business incubators and goes further to recommend that policy makers, development partners, private investors and significant others should support this sector by providing them with the needed support and patronize the product and services rendered by the startups in the space. Doing this would allow for the growth of the sector, encourage the youth, improve the community, increase patronage for Nigerian goods and service and create employment for the people.

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